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CANADA

DEPARTMENT OF AGRICULTURE

PRODUCTION AND MARKETING BRANCH

REPORT ON VISIT TO UNITED KINGDOM

JANUARY - FEBRUARY, 1959

By

J. W. LEE

DISTRICT SUPERVISOR

FRUIT AND VEGETABLE DIVISION

KELOWNA, B. C.





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Government
Publications

Toronto 2, May 20, 1959.

Mr. G. S. Perkins,
Commissioner of Marketing.
Dr. J. G. Taggart,
Deputy Minister of Agriculture,
Ottawa, Ontario.

Dear Dr. Taggart:

Thank you very much indeed for the
copy of the Report on the Visit to the United
Kingdom, January - February, 1959 - by J. W. Lee
of the Fruit and Vegetable Division, Kelowna, B.C.

Your thoughtfulness is sincerely
appreciated.

Yours very truly,

C. D. Graham,
Deputy Minister.

Government
Publication

Toronto 2, May 20, 1938.

Dr. J. G. Teggart,
Deputy Minister of Agriculture,
Ottawa, Ontario.

Dear Dr. Teggart:

Thank you very much indeed for the
copy of the Report on the Visit to the United
Kingdom, January - February, 1938 - by J. H. Doe
of the Fruit and Vegetable Division, Salinas, U.C.

Your thoughtfulness is sincerely

appreciated.

Yours very truly,

C. E. Graham,
Deputy Minister.

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DEPARTMENT OF AGRICULTURE

OTTAWA, ONTARIO,
May 20, 1959.

Mr. G. F. Perkin,
Commissioner of Marketing.

May 20, 1959.

Dr. C. D. Graham
Deputy Minister,
Toronto, Ontario.

Dear Dr. Graham:

As you may know we have been delighted to have a number of visitors from the United Kingdom come to the Department of Agriculture and our Marketing Division to study their marketing system and the arrival of their products.

Earlier this year, a report on a visit to the United Kingdom, January and February of this year, prepared by J. W. Lee of the Fruit and Vegetable Division of the Canada Department of Agriculture, Kelowna, B.C. I thought you would be interested in this report, which I would appreciate having returned for our files.

Realizing that you would be interested in obtaining a copy of Mr. Lee's report, I am enclosing a copy of the report. I am also enclosing a copy of the Ontario Apple Export Association of the Ontario Fruit and Vegetable Growers Association which would be very interested in Mr. Lee's comments.

Very truly,
Deputy Minister.

Mr. G. F. Perkins,
Commissioner of Marketing.

May 30, 1933.

C. D. Graham

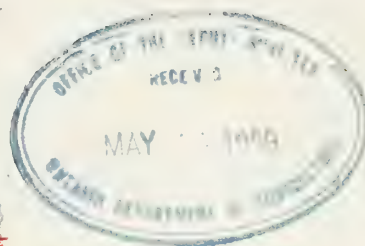
I am attaching a report on a visit to
the United Kingdom, January and February
of this year, prepared by J. W. Lee of
the Fruit and Vegetable Division of the
Canada Department of Agriculture, Kansas,
B.C. I thought you would be interested in
this report, which I would appreciate having
returned for our files.

Respectfully,
Deputy Minister.

OFFICE OF THE
DEPUTY MINISTER



DEPARTMENT OF AGRICULTURE



Ottawa, Ontario.
May 8, 1959

Dr. C.D. Graham,
Deputy Minister of Agriculture,
Toronto, Ontario.

Dear Dr. Graham:

As you may know we have been collecting a battery of samples over the United Kingdom and at the same time collecting samples of our Domestic Divisions to obtain first hand information on the arrival quality and condition of our various Apples and their acceptability by the trade.

Earlier this year Mr. J.W. Lee, District Supervisor for British Columbia for our Fruit and Vegetable Division was in the United Kingdom in connection with our Apple export and has prepared a complete report on his trip.

Realizing that Ontario is making a definite effort to obtain a greater share of the United Kingdom Market I am enclosing a copy of Mr. Lee's report. Feeling sure that both you and the Ontario Apple Export Association or the Ontario Fruit and Vegetable Growers Association would be very interested in Mr. Lee's comments.

Yours very truly,

J. J. R. R. R.
Deputy Minister



ONTARIO

DEPARTMENT OF AGRICULTURE

MEMORANDUM

June 22, 19 59

TO Dr. C. D. Graham,

FROM G. F. Perkin,

Deputy Minister

Commissioner of Marketing

RE: Report on Visit to United Kingdom - J. W. Lee

Thanks for the opportunity to read the attached. Several favourable comments were made by the Nova Scotia and British delegates last week in London, who feel it is one of the best reports yet made on the condition of Canadian fruit in Great Britain and what should be done to improve matters.

G. F. Perkin
.....

CANADA DEPARTMENT OF AGRICULTURE
PRODUCTION AND MARKETING BRANCH

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REPORT ON VISIT TO UNITED KINGDOM MADE BY
J. WILFRED LEE. JANUARY AND FEBRUARY, 1954.

INTRODUCTION

From January 20th to February 20th I was in the United Kingdom with the following purposes:

- (a) Seeing Canadian apples at United Kingdom destinations.
- (b) Seeing competing apples.
- (c) Meeting and talking with importers and dealers.
- (d) Watching discharging of Canadian apples from ships.

To help in achieving these purposes my principal contacts were Mr. Bruce Marshall, Agricultural Counsellor, Mr. M. McDonald, Cargo Inspector, and in Liverpool Mr. Worden Evans.

To accomplish these purposes I made approximately twenty-five detailed inspections of apples at various levels in the trade, as well as many casual examinations. Some of these involved only one or two boxes, but others consisted of thorough inspections of as many as twelve boxes.

I visited and talked with sixty-two importers, wholesalers, retailers or other members of the trade. Many of these men were visited more than once and in some cases conferences lasted for periods of several hours.

I made two visits to Glasgow, two to Liverpool and one to Edinburgh and watched the discharge of apples from eight boats at these ports and in London.

All the officials and members of the trade with whom I came in contact were exceedingly co-operative and helpful. In many cases they expressed their approval of the visit of a government official and felt trade relations could definitely be improved by this policy.

I am particularly grateful to Mr. Marshall and his staff for the many arrangements which he made for me and the advice he gave, also to Mr. McDonald, Cargo Inspector, who spent many days with me and was the means of making all my contacts with ships and many of the most important ones in the market. Mrs. Plane in Mr. McDonald's office performed any secretarial work which was required willingly and competently.



CANADIAN APPLES

General: In general I found that the United Kingdom trade is well pleased with Canadian apples and undoubtedly this fruit has an excellent reputation there.

Market conditions for apples during the period of my visit were particularly poor, and this created an atmosphere in which importers were prone to complain. Prices for Canadian fruit were often less than two-thirds of what they had been a year earlier, and in many cases importers appeared quite willing to sell Canadian apples at, or even below, cost.

Auctions: I attended several fruit auctions where Canadian apples were offered and there seemed to be confidence in the pack, as bidding often took place by those who had made little or no prior examination of the particular lots. Exceptions to this occurred at the Fruit Exchange, Spitalfields, on February 11th, when 300 Nova Scotia Russets, ex S.S. He-vercove, were sold at 14/, and at Glasgow on February 18th, when 1500 British Columbia Fancy McIntosh, ex S.S. Bisanger, found no takers.

A feature of the auctions, at least those which I visited, was that apparently the successful bidder is not bound to accept the entire quantity of the lot on which he bids. This means that when a large lot is offered, potential buyers can expect to obtain their requirements without much incentive to push the price up by bidding themselves. Once the price has been established it is common to see numerous buyers asking for various quantities at that price. Despite this fact, I was impressed with the way in which the various auctioneers worked to obtain the highest possible return for the fruit they were offering, and since a great deal of this is being handled on consignment, it is obvious they would not use the auction method unless they felt it was producing results.

Another thing I learned was that the number of wasted or decayed specimens found in the samples examined by the auctioneer prior to the auction must by regulation be indicated on the auction catalogue. This means that the range of decay in a given lot is very significant. If a single sample shows a high number of wasted specimens this will affect the price of the entire lot.

I was told that the volume of fruit sold by auction is diminishing. There is now no auction held in Covent Garden, one at the Borough Market and two at Spitalfields. There are also auctions at Liverpool and Glasgow, and possibly others. Only certain importers use this method of disposing of fruit, and I think the majority of Canadian apples are sold by 'Private Treaty', which is just a sale with written or verbal contract as its basis.

McIntosh: Most of these seen and discussed came from British Columbia. The trade in London is not very interested in this variety, so most of the comment came from Liverpool and Glasgow. Much of this comment was favourable, but prominent importers in all markets suggested that British Columbia McIntosh were worse than last year.

Reasons given for this were; many light weight packages, too ripe, too much bronzing, poor sizing, too many punctures, poor colour (this complaint was voiced by only one man), too much stainer damage. Also, towards the latter part of my visit there were numerous complaints about the 'waste' or decay in British Columbia McIntosh.



It was significant that very few dealers felt that bruising was a really serious problem with this variety, though it was mentioned by

Limited comment on McIntosh from Nova Scotia, Quebec and Ontario was generally to the effect that the fruit was firmer than British Columbia stock, but generally less popular on the market. However, I heard no specific complaints.

Apart from retail examination and the bulk bin experiment, which are mentioned separately, I inspected ten lots of this variety from British Columbia, three from Nova Scotia and one from Quebec. A summary of samples large enough to be significant is as follows:

Origin	Grade	Decay	Sunscald	Bruises	Punctures	Others	Total
B.C.	Fcy	1.7	2.3	.8	2.3	.2	7.3
		4.6	2.4	.6	2.8	1.0	11.4
	ExFcy	3.6)	decay only recorded				
	Fcy	22.2)					
N.S.	Fcy	1.2	-	1.5	.6	1.6	4.9

On all lots there were also a good many handling bruises, considered to be within the tolerance. On the Nova Scotia lot shown above this worked out at 4%. The lots from Quebec and Nova Scotia not shown in the above table also had a good deal of both severe and slight bruising.

The lot which stands out from the general picture is of course the one with 22.2% decay. This result was obtained from only four boxes. Nevertheless these were taken at random from a pile of some three hundred, and included the only two house numbers evident in the lot. All apples in the four boxes were examined and the result was just a little less decay than had been reported by the importer's own examiners. This inspection was made in Edinburgh on March 20th on apples from S.S. Loch Gowan, but was an investigation of only one of several complaints on late arrival McIntosh. Most importers were of the opinion that waste should be expected in March arrivals of British Columbia McIntosh. However, there were some who said excellent quality fruit had sometimes been received right into April.

As a result of my own examinations I feel that with few exceptions this variety arrived as might have been expected, that there was too much sunscald on the fruit from particular areas; that there is need for some improvement in the sizing standards; that there is a high degree of correlation between the incidence of punctures and the incidence of decay, and most important of all, decay, even an average of three or four percent, is not wanted in the United Kingdom.

Golden Russets: This variety was brought to my attention more often and more emphatically than any other while I was in England. Canadian deliveries came exclusively from Nova Scotia and were definitely and generally unsatisfactory.

I made six detailed inspections of this variety as well as a great many casual observations. These inspections, with smaller lots combined, gave the following results:



Shipper	Grade	Pkge.	Boat	Date	Wilt	B. Col.	De- cay	Fru- ises	Oth- ers	To- tal
Cyler	Fcy	C/P	Iver-	Feb.10:	6.	10.	4.	-	.8	20.8
			nia							
DeWolfe	Fcy	Poly	Sax-	Feb.10:	-	12.	6.4	2.1	5.	25.5
		crate:	onia							
Cyler	"C"	C/P	Nova	Feb.6	13.6	-	5.0	.5	.3	19.4
			Scotia							
Scotian	Fcy	crt.		Jan.30:	-	8.	-	18.0	10.	36.0
Gold										
Minas	Fcy	crt.		Jan.28:	4.3	29.	-	-	1.6	34.9
Basin										

Comment regarding this variety was critical and sometimes vehemently so. "Much poorer colour than they used to be"; "Much too green, due to trees being too worked from unwanted varieties"; "Rubbish"; "Should never have been shipped"; "'57 crop no better than pot toes and '58 crop much worse"; "Not one box sold (out of 300) in three weeks!"; "These are Nonpareilles".

After a lot of listening and looking it was my opinion that many Nova Scotia Russets from the 1958 crop developed wilt. There was so much of this in some cases that it looked almost like immature harvesting, though that would not be likely. The second point is that the United Kingdom market now does not want poorly coloured or poorly russeted Golden Russets. Whether this is because the market standards have been raised by comparison with Indian stock or whether the Canadian apples have deteriorated as much as was suggested I do not know, but they don't want what they have been getting. Even the fruit which I considered as meeting requirements was not wanted by the trade, particularly "C" grade.

It should be remembered that the inspections were all made on lots on which there was complaint. I did see early in my visit several lots which seemed to me to be quite acceptable. They showed no wilt and a reasonable degree of russetting. Even these, however, were not popular.

Fortunately I was able to take a colour slide which depicts very clearly just what was wrong with Nova Scotia Russets. If a print of this can be obtained as part of this report no further words are necessary.

Newtowns: This was the third variety of Canadian apples which came in for close scrutiny - all were from British Columbia.

The very great majority of trade opinion was that Newtowns to be acceptable must be quite green and that a yellow Newtown is not wanted in the United Kingdom. This, most dealers averred, is because a yellow specimen is one which is ripe.

In my experience I have found that there are yellow type and green type Newtowns, and the yellow colour does not usually, and certainly not necessarily, indicate advanced maturity. However, there is no doubt about the preference for green specimens. A blush on Newtowns is also disliked, though perhaps not as much as the yellow colour. A few boxes from British Columbia Kootenay points were noticed marked "Yellow Newtowns" - this is obviously a foolish practice.



I recorded six inspections of this variety, and these are summarized by grades, as follows:

Grade	PKgs.	Bruises	Punctures	Decay	Sun scald	Others		
ExFcy	A/B	5.5	-	.6	1.2	1.2	8.5	8.5
Fcy		4.2	1.6	1.0	-	4.7	11.5	4.7
"C"		4.1	.5	-	2.4	.6	7.7	2.4

The significant point is that there was considerable complaint about bruising even though inspection showed this defect to be within tolerance. The slight bruising recorded was of a kind which rendered the product unsatisfactory on the market. When both types of bruising are added the percentage of unsatisfactory fruit from this cause is ExFcy 14%; Fcy 8.9%; "C" 6.6%.

Other Varieties: Delicious of regular and red strains was the principal other variety seen in the United Kingdom. Samples from British Columbia, Ontario and Nova Scotia were inspected and most proved highly satisfactory. One lot of Scotian Gold was weak on colour and one lot from British Columbia, ex S.S. Moldanger, showed bruising and decay. One lot of Cyler Reds, marked "Raymond Bent", though marked Fancy would have made a good Extra Fancy, and some importers remarked on the good colour of British Columbia regular Delicious.

Everything seen was in tray packs and the only criticism was for poor sizing. One importer said that British Columbia Delicious set the standard for all arrivals.

Very few Jonathans were seen. Those from Nova Scotia appeared good. One lot from British Columbia seen in Liverpool was badly affected with Jonathan Spot.

Any winesaps seen were from British Columbia and were excellent. However, these were mostly from wrapped trays and I did hear one complaint of bruising in standard boxes.

A single lot of Spartans from British Columbia looked excellent and was evoking complimentary comment. There was also a single lot of Golden Delicious collected from all over the Okanagan. These varied a lot but were generally good. This variety is quite popular but the market appears to like it creamy green rather than gold.

Cortlands on the Glasgow market looked very nice but salesmen said they did not sell well.

Bulk Experiment: Louis Reece of London requested a trial shipment of British Columbia apples to be sent in bulk bins for repackaging at East Kent Packing Co., with the intention of distribution by Marks & Spencer in England. The shipment consisted of twelve bins containing three varieties, McIntosh, Newtown and winesap, several of which I saw before they left Canada.

The S.S. Dongedyk, carrying these bins, was discharged in London on January 19th, the day I arrived in England, so I was able to see these arrivals at the plant of East Kent Packing Co., Faversham, on January 21st. The shipment also included a check in the form of standard boxes of Newtowns and tray packs of Winesaps. There was no check of McIntosh.

Reception of this shipment was not good, and in London I heard that the fruit of all varieties was almost worthless. Although time was quite limited I was able to make an examination of both bins of McIntosh, two of Newtown and one of Winesap, as well as two boxes each of the checks of the last two varieties. The following results were obtained when inspected according to Canadian legal standards:

Variety	Pkge	Decay	Serious Bruises	Punctures	Sun Scald	Others	Total	Slight Bruises not recorded
McIntosh	Bin	1.2	26.	22.	12.2	8.6	70	8.
Newtown	Bin	-	-	-	4.0	1.0	5.	8.
Newtown	A/B	-	10.7	1.5	-	.7	12.9	17.5
Winesap	Bin	-	1.0 (5% smalls)	-	-	6.0	7.0	5.0
	T/P	-	-	-	-	4.0	4.0	12.0

A very careful report of the outturn of this shipment was prepared by the receiver, after the apples were graded according to the desired standards. A summary of this, together with a similar report made on a comparable shipment in 1914 from Australia, is attached as Appendix III. The remarkable outturn of the latter suggests that further experiment with Canadian apples might be worthwhile.



COMPETING APPLES

There are four sources of apples which come into competition with those from Canada. First is North America, second England, third continental Europe and fourth southern hemisphere countries. Imports into Britain from all these sources are heavy.

Southern hemisphere competition is more indirect than direct, although shipments from Argentine and South Africa can be on the British market at the same time as late Canadian deliveries. Some importers also told me that receptivity of the market for early Canadian deliveries could be affected by an unsatisfactory Australian deal, which might have been recently concluded.

Competition from continental Europe comes principally from Italy, although there were many Cox Orange from Denmark, a few Golden Delicious from Lebanon and a few apples, said to be from Czecho Slovakia by way of Italy.

Italian Apples: The market quality of Italian apples varies a great deal, and this may account for such conflicting opinions as:

"Tyrolean packs of Jonathan, Rome and Stayman are superior to ANY North American apples" - Lyons.

"Italian apples are far inferior to North American stock" - Peacock.

"Italian ExFoy apples are a far better grade than those from B.C." - Briscoe.

"Nothing in Italy will compare in flavour with B.C. apples" - McCaig.

At the present time the good Italian apples are coming from the Tyrol, others are not much of a factor. I made several careful examinations of Jonathan, Belfort, Kaltererbohmer, Russet and Morgandeft, which is the North American Rome Beauty. The better Italian shippers have gone to a great deal of trouble to put up an excellent pack. While the 20 lb. carton or its metric equivalent is the commonest package, there are also larger containers of both wood and fibre, weighing from 36 to 48 lbs. There was also a two layer tray.

Apples were always wrapped, except for display specimens in the top layer. Bright blue wraps or a gold decorated white wrap in a blue wax paper tray were common. Packs were mostly diagonal, some square and wads of wrapping paper were placed in the corners to reduce bruising. There were nearly always tier sheets between the layers and the top layer often included coloured shredded paper, though this was more for decoration than protection. Where staples were used to close cartons there was always a protector sheet of cardboard under the lid, and the larger containers had excelsior pads on top.

In market quality the Italian Russets were far superior to any of this variety from other sources, and to me the flavour seemed good.

The Kaltererbohmer is a most attractive apple to look at, with a sharp line separating red colour from ground colour. These did not seem to me to have much flavour.



Jonathans were attractive to look at, as were the Morgandeft, or Rome, but here again I would judge flavour poorer than in North American apples. I did not see many Delicious but understand these were usually available.

The good packs were remarkably free of bruising and blemishes in all varieties. Colour was less consistent. To take the Rome and Jonathans as examples, most boxes would have about 65% to 75% of Canada Extra Fancy colour, while the remainder would be largely Canada "C" grade colour.

Sizing was no better and no worse than in most Canadian packs, which means it was often not good enough to suit the buyer. I did not see a decayed specimen in any Italian pack which I examined. However, as this fruit is delivered on consignment, with about a twenty-four hour haul from Italy, all stock on the English market is fresh. I was told that Jonathans examined on February 10th had been picked between July 15th and September 30th, and cold stored in Italy. There was no sign of wilt or other condition defect.

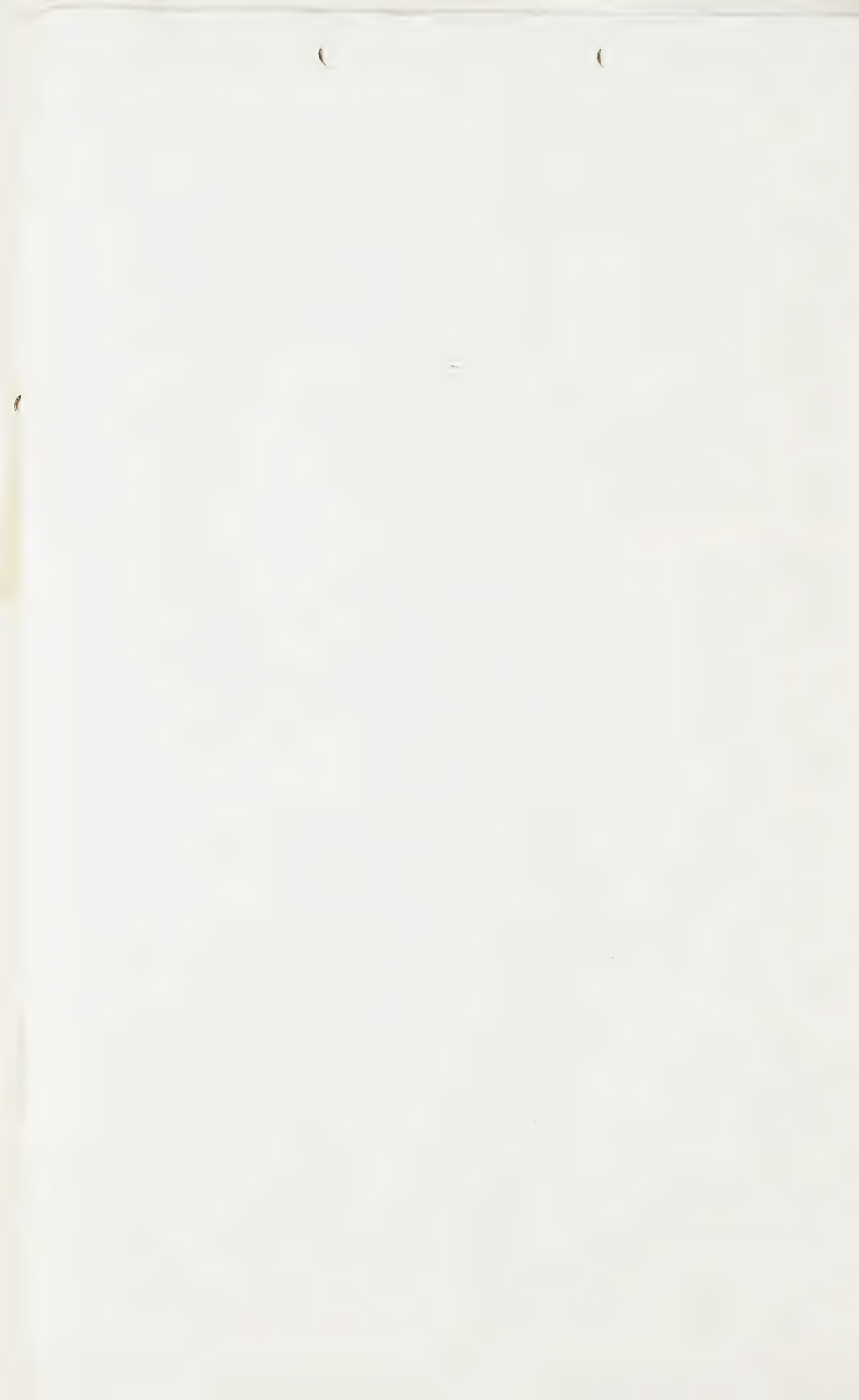
English Apples: Production of apples in England appears to vary a great deal from year to year. In 1958 it probably exceeded twenty million bushels, and the potential is even greater. Since storage, though increasing, is not great in proportion to the crop, most of this crop reaches British markets within three months of harvest. British growers naturally want their domestic market for themselves during this period, and will doubtless try to maintain legislation which restricts imports, at least in the early part of the apple marketing season. Whether they do so or not, competition price-wise for any imported apples at this period of the year is likely to be severe unless there is a short crop in England. Starting about mid-January, competition depends more on other factors, such as quality and variety.

The two varieties produced in enormous quantities in England are Cox Orange and Bramley Seedling, the former used exclusively for dessert purposes, and the latter exclusively for cooking. Controlled Atmosphere or gas storage, as it is called in England, is used to prolong the market life of both sorts, but seems to be less successful with the Cox than with the Bramley.

Discussion with wholesalers and retailers, and simply reading the price tags on apple displays, convinced me that in the south of England no imported apple is as popular as the home produced Cox Orange. This preference largely disappears farther north, and is certainly not true in Scotland.

Quality, like production, varies tremendously. I visited three packing houses in Kent which use the most up to date methods for sizing, sorting and packing their fruit, and which I am sure, though I saw only Bramleys being handled, produce packs quite comparable with the North American product. On the other hand, there is no legal regulation whatever to establish minimum standards, and a great deal of what in Canada would be considered as culls reaches the market.

Some wholesalers suggested to me that as much as a third of the English production should never be allowed to reach the market, and from my own examination some offerings of Bramleys could only be described as rubbish. However, nearly all this stock moves to London on a consignment basis, and many wholesalers seem to feel they have an obligation to the producers to sell it to the best advantage. It was pointed out to me by several wholesalers that there is no processing outlet whatever for the main varieties of English apples. If one could be developed a huge volume of poor quality stock might be removed from the fresh market.





HANDLING AND PACKAGES

Discharge from Boats: Because observation of handling at the docks was one of my specific assignments I visited eight boats, spent a good many hours watching the operation and took several photographs of this work.

Before leaving Canada I was told that apples received rough handling at the docks, and the only thing which could be done about it was to ship in packages which could provide protection from the treatment given. I made a point of watching the loading of apples on S.S. Moldanger at Vancouver before I left Canada, and feel that the handling on this boat was considerably better than most of that seen in the United Kingdom ports. Moreover, when an instance of rough handling was pointed out to the stevedore foreman, he immediately took action to correct it.

Only one man to whom I talked felt that fruit was handled satisfactorily by dockers in the United Kingdom. This was Mr. Ralph Brown of the Donaldson line in Liverpool, who said their company had few complaints and that the importers' own employees handled the fruit on the docks once it was removed from the ships' slings. All others to whom the matter was mentioned agreed that handling was rough. They also seemed to feel it was quite impossible to obtain longshoremen who would exercise reasonable care, and any attempt to educate them would result in serious labour trouble.

My own estimation was that about one package in five receives very rough handling. Longshoremen have no incentive to drop or throw packages which they can pick up and put down at waist or chest level, but they never bend to place the box on the ground or in the second layer, consequently many packages are dropped from waist high and often kicked into place.

Another source of considerable shock is pulling stacks over because the top unit is too high for convenient reach. This occurs most often on the dollies used to move fruit from shipside into the wharf sheds. The dolly itself is perhaps two feet from the ground, apples piled four high thereon make the top box hard to lift down and it is common to see the whole stack of four boxes pulled over onto the dolly or even the ground to facilitate reaching the upper boxes.

In most cases slings were raised and lowered carefully, but where the load was fairly close to the edge of the overhead hatch the hoist was sometimes used to drag the loaded sling out from under, with uneven tension on the sling ropes, and a great deal of bumping over the bottom of the hold. There were also other cases where sling ropes damaged the cartons.

A great many cartons became visibly damaged in the handling process and a considerable amount of reconditioning and repairing goes on at the dock. Some cartons appear to be much stronger than others. Nova Scotia celpaks, as used by Herbert Gylter, seemed to be particularly vulnerable, and the single strap round the middle provides much less protection than where one is used at each end.

where cartons are not so badly damaged, the fruit within them is not seen to suffer very much from the rough handling. Apparently there is enough flexibility to allow the fruit to move rather than

wooden packages are generally more resistant to damage themselves, but there is considerable evidence to suggest that the fruit within them suffers from the rough handling, particularly where high bulges are employed, as the unit is as likely to be dropped on the bulge as on its side.



Packages: As with most other things, importer opinion differs on the most desirable type of package. Some said a smaller package, comparable to the Italian 20 lb. unit, would be most welcome. Others thought that on overseas shipments small cartons would be massacred and subject to pilferage. Mr. Peack of J. C. Houghton was sure that cartons are not as good as boxes. Mr. Speed of Leeten & Moss thought the standard box is as good as any package, and that there is more life to wrapped apples than to those in cells. On the other hand, Mr. Briscoe of W. B. Anderson & Sons said the celpak is an excellent package and there is little bruising in fruit for which it is used. Mr. Lyons said the celpak is superior to the tray pack, but sizing in it is poor and a size should be introduced between the 160 and the 200.

Mr. Finlay, a Customs examiner, suggested to me that the trend on boats is for larger shipping units as a deterrent to rough handling and pilferage. He thought palletizing apples would be a good thing. Mr. Stewart of the East Kent Packing Co., which repacks a lot of imported fruit, thought the twenty-five bushel bin was an ideal unit for long distance shipment, because stevedores could not throw it around.

From my own observations and the preponderance of opinion, I would say that the celpak is the most suitable and justly popular package used for Canadian apples to-day. The tray pack, particularly when the apples are wrapped, is also very satisfactory.

RETAIL

Besides casual visits to fruit barrows and retail stores I made three principal contacts to attempt to get retail reaction to Canadian and competing apples.

The firm of Marks and Spencer, although they are primarily clothing stores, contend that through their 240 stores they are the largest distributors of apples in the United Kingdom. Since this was the firm for which the bulk bin experiment was initiated, I came into contact with them early in my visit, and spent considerable time discussing and examining apples with their produce men and in obtaining opinions on the retail market.

I was told with a great deal of emphasis that the Marks and Spencer firm wished to use only Canadian apple production in its business. When I was in England, however, they were selling Italian apples exclusively, and they averred it was because no Canadian fruit would meet their specifications.

Mr. Lane, Produce Manager for all Marks and Spencer stores, explained to me that they wanted fruit (1) bruise free (2) of good eating quality. In other words, a reasonable tolerance can be allowed for blemishes, but the fruit must be of good eating quality. Uniformity of size is not essential. Uniformity of size is quite acceptable in England provided fruit as large as 2 3/4 inches is quite acceptable in England provided it is bruise free.



I spent half a day with Mr. Blackburn, a Marks and Spencer fruit buyer, and also some time with Mr. Coward, their apple expert. These men said Canadian apples were constantly being examined but they had not been able to get any recently which would meet Marks and Spencer standards.

At the time I visited their stores only Italian Deliforts and Morges were being sold. They said they wanted a green apple but could not find any satisfactory stock. Inspection showed these apples to be good, but nevertheless far from bruise free. According to Canadian standards they averaged 4.5% bruising and 85 below colour. When the bruising was pointed out to Mr. Blackburn he said he would not have bought the lot if he had seen samples like the ones I uncovered.

It is my opinion that Marks and Spencer would purchase Canadian apples if they could obtain them relatively bruise free. Their standards, though high, are not unattainable in the finest Canadian varieties, and price was apparently unimportant if the quality standard could be obtained.

Through the good offices of Mr. E. Kellie, Secretary of the Retail Fruit Trade Federation, I arranged a visit to A. W. Tappin & Son, described as a typical independent green grocer in a working class district of London.

Yeomans buy their fruit in the big markets of London after personal examination. They consider apples a most important part of their stock and like to offer about five varieties at a time for twelve months in the year. Apples are practically never sold by the package, and the average purchase is two pounds.

Price, Mr. Yeoman thought, was less important than it used to be, but many people bought Bramleys for cooking, which were then being offered at 6d a lb. compared to 1/6 for Cox Orange or reported Newtowns. He thought the Oregon Newtowns were cleaner and better than those from B.C., though in general Canadian apples were satisfactory. Golden Delicious were not as popular as they had been.

Mr. Yeoman thought the 8/6 was the best package and had found that apples in cello bruised unless the fruit fitted the cells. Apart from this, wired cello did not seem to be a problem. The fruit seen in this store was all sound and attractively displayed, even the cooking apples.

Third retail contact was P. Rogers Ltd., multiple greengrocers, with 100 branches in the 'home counties'. At the central warehouse near Ealing I met the general manager and three area managers and later visited two stores.

Quarried on the Newtown variety, the area manager said Oregon stock was better than Canadian on the counts of firmness, flavour and appearance. Neither bluish nor yellow colour was acceptable. The Newtown was a high priced apple and must be nearly perfect. Even stem blemish rust was not wanted, and they had been troubled with a 'white powder' which apparently was powdery mildew. Bruising, skin marks and poor flavour had caused them to reject Canadian Newtowns.

These retailers thought the apple box was a very satisfactory package, but found the cello generally good, though apples got marked if they didn't fit the cells. It was better than the tray pack in preventing bruising. However, they wanted wraps or good glass fruit and felt these furnished necessary protection. They thought a 20 lb. package would be in big demand, though, like Mr. Yeoman, they said sales were mostly 1 to 7 lbs. and sales by the package did not give satisfaction.



The Meyers stores, I was told, were selling twelve thousand 20 lb. Italian apples per week, mostly Jonathans, Belforts and Russets. They had had some American winesaps, but these were 'too red'. Eating quality of Italian apples was improving very fast.

At the stores the only Canadian apples I could find were a few rather badly bruised British Columbia Newtowns. The Oregon Newtowns were better and the bulk of the fruit which I examined quite carefully was Italian Jonathan and Morgandefts. These were good and much as described to me by the area managers.

It was obvious that retail opinion may differ from that in other levels of operation, but also, the people in the retail trade have various points of view. By the pound sales seem to be the prevailing pattern in England, and there was no evidence of bagging.

IMPORTER OPINION

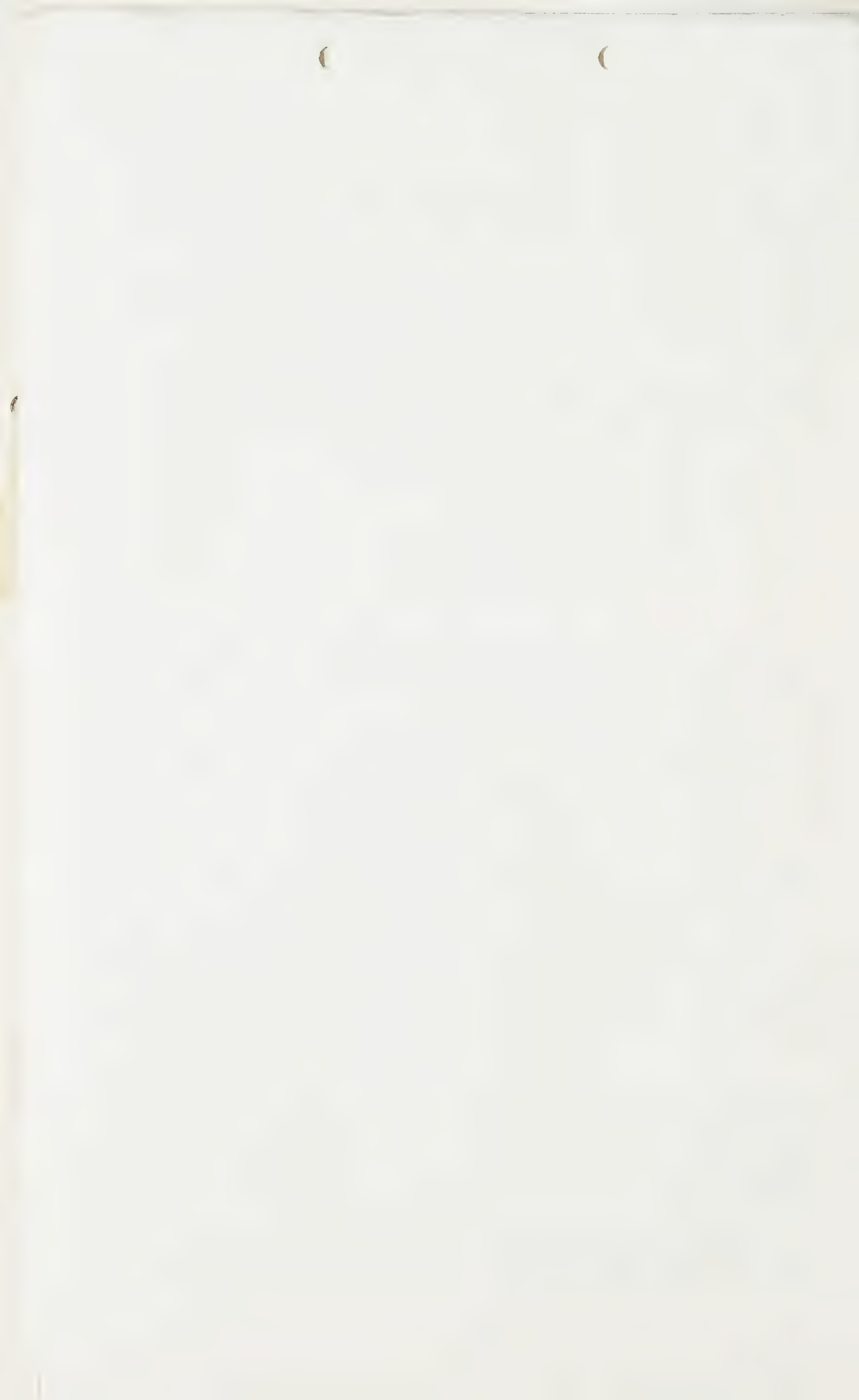
Much of the opinion which I heard from the many importers and others engaged in the fruit trade has been mentioned under specific items. However, the following additional subjects were also discussed and opinion on them may be of interest.

Business Methods: Because an earlier report had mentioned criticism of Canadian business methods by the United Kingdom trade, I made a particular point of asking about this matter. Everyone to whom I spoke voiced complete satisfaction with the way business was carried out in all parts of Canada. There was an isolated instance where an Ontario representative had made a contract which he had been unable to fulfill but this had been satisfactorily settled between the parties concerned.

Types of Sales: There was a great deal of discussion in England regarding the method of making purchases. When currency controls were not in effect, I gathered that most business had been done on a consignment basis. Since the introduction of licences, almost all North American business has been on a firm sale basis. There appear to be two schools of thought with regard to the type of deal. One group likes to have a reliable source of supply at a fixed price. If the market goes up after the price is fixed they will make money, as they did in 1958, if it goes down they will lose, as they have this year, but they are prepared to gamble their profits on their own estimation of the market, and expect to be up some years and down in others.

The other group is more interested in security and rendering a service for remuneration. These people would like consignment selling with the shippers taking all the risk. Several of them told me they thought Canadian interests should have representatives in England to make consignment deals with the trade there. The group favouring consignment selling is definitely in the majority, although some of these felt that as long as there was licence control consignment would be less desirable.

Opinion of the firm sale advocates was typically expressed by J. Lyons, who said that "consignment selling is out of date and is a stinking way of doing business". He suggested this method of doing business is used only for produce. No other commodity is marketed in



that way. Other importers gave the opinion that shippers would never be satisfied with consignment selling and that its adoption would spell disaster for British Columbia.

Licensing: No one, of course, had definite information on whether licensing would be relaxed, tightened up or abolished. When I was first in England a good many people to whom I talked seemed to think the open general licence, which means unrestricted buying, was likely to come very soon. However, later in my stay opinion seemed to be that control would remain at least for another year.

Opinion was also divided as to what effect relaxation of licensing would have. Mr. Pickup of Frost and Pickup, pointed out that "licensing has meant almost automatic profit", because the supply of licensed fruit was limited. Importers were anxious to purchase to the full extent of their licence so that it would not be reduced another year. If a incentive did not exist they might not be so willing to buy on a firm price basis.

The other point of view is that freedom to purchase when there had been restriction would result in increased purchase from North America at first, but that this would settle down to approximately what the market had been taking in recent years.

Consumption: I was told that per capita fruit consumption in England was falling. This was attributed to various reasons, but predominant among these was that competing products were advertising while fruit distributors were not. I was told that fruit growers in England, through their organization, and with its means of assessing cost equitably it was difficult to finance advertising campaigns which would benefit all producers. The Tomato Board, an organization of producers for marketing that commodity, was in serious trouble when I was in England, and looked as though it might be voted out of existence. Advertising by English producers, of course, would not be slanted to help importers, probably the reverse, but might check the drop in apple consumption. Gordon Mason, Editor of the Fruit Trades Journal, felt the need for apple advertising was very great and thought there might be some chance of distributors organizing for this purpose.

Another reason given for falling consumption was the great increase in 'hire purchase' or installment buying which has taken place in England recently. It was suggested that the few shillings which once were spent on apples now found use as the monthly installment on the television.

Prices: There was a good deal of opinion that Canadian prices, particularly British Columbian, were too high. I was told that "the pressure will be on to break prices", that there had been no price drop to match the drop in ocean freight rates. One man suggested that it would be good if there were more competition among Canadian shippers.

Mr. Holt told me; "I buy British Columbia apples with my heart and not with my head", and quoted Washington Red Delicious as laid down 30% to 45% less than the Canadian product. Similarly Nova Scotia Russets were in the neighborhood of 25% laid down, while Italian fruit of the same variety yielded a profit when sold at 26%. I had a director of one importing firm urging his partner to buy British Columbia winesaps which the former had seen and liked. The reply was: "No matter how good they are we can't make money on them at that price". Transport in costs for Italian apples are much the same as those from Eastern Canadian seaboard, about half the 1.40 per bushel cost from British Columbia.

There was also much talk about the price of Australian apples then being offered to the trade. It was my understanding that very few deals were being made because the Tasmanian Apple Board was holding to its original f.o.b. quotations.

Even those who had no criticism of the actual prices asked for Canadian fruit, emphasized that they were premium prices and it was necessary to have premium fruit to get them.

Apples: Despite a great deal of variation in the opinion expressed, there seemed to be a general feeling that Canadian apples were not as good as they once had been. Criticism of poor sizing was fairly consistent and this was tied in with the complaint of light weight in British Columbia McIntosh. A good many people spoke of the better appearance of washed apples from the western United States.

A point of view put forward by Mr. Lane of Marks and Spencer to explain the swing to Italian operators, was that the Italians had made an effort to improve their methods in line with what the market required, while vendors in other countries had merely said it would cost them too much money to make any appreciable improvement.

Registration Reports: As there were quite a number of complaints recorded at Canada House or the Cargo Inspector's office, firstly on Nova Scotia Russets and later on British Columbia McIntosh, there seemed to be some need for service which could make an independent assessment for claims purposes. I discussed this with a Mr. Bagott, who is an 'independent surveyor', who had been called in on one shipment of Nova Scotia apples.

Mr. Bagott said that his firm which was one of only two similar concerns in London, very seldom got calls to examine fruit, and did not have any fruit experts on their staff. He said there were many years when they did not get a single call on Canadian Fruit, though requests for reports on Australian apples were a little more common.

The reports which he made were based on examination of just a few boxes of fruit, with particular attention paid to temperature and to storage in the ship. He doubted if there would normally be enough work in all London to keep a fruit expert busy on this kind of work.

Inspection: United Kingdom importers appeared to place a lot of reliance on shipping point certificates of Canadian and American apples. Mr. A. E. Brooke of Covent Garden told me he liked North American apples better than Italian because the grade is consistent and the fruit is accurately described on reliable certificates. Mr. Briscoe of W. B. Anderson in Liverpool expressed grave concern because a certificate, on British Columbia McIntosh which had not yet arrived, showed 3% decay. Mr. Pickup thought certificates should be 'streamlined' so that no decay was shown thereon, because the trade paid so much attention to these descriptions.



CONCLUSION

It must be evident to anyone who has read this report that I found very little unanimity of opinion on the various matters discussed. It is therefore necessary to assess this opinion as modified and illustrated by what I saw myself in order to reach any conclusions.

Firstly, it must be emphasized that in general arrivals of Canadian apples are good, and United Kingdom importers are thoroughly satisfied with the way Canadian exporters do business. It must be realized that I was interested in weak spots and was therefore looking for the exceptions to this general rule.

Competition from other sources for Canadian apples will be very keen in any year when the competing areas have full crops. While Canadian fruit has a good reputation there is no reason to believe that the fruit from competing countries cannot be just as good. For this reason efforts should be made not only to maintain present good quality but to improve it by eliminating the weak spots.

Specifically I would recommend:

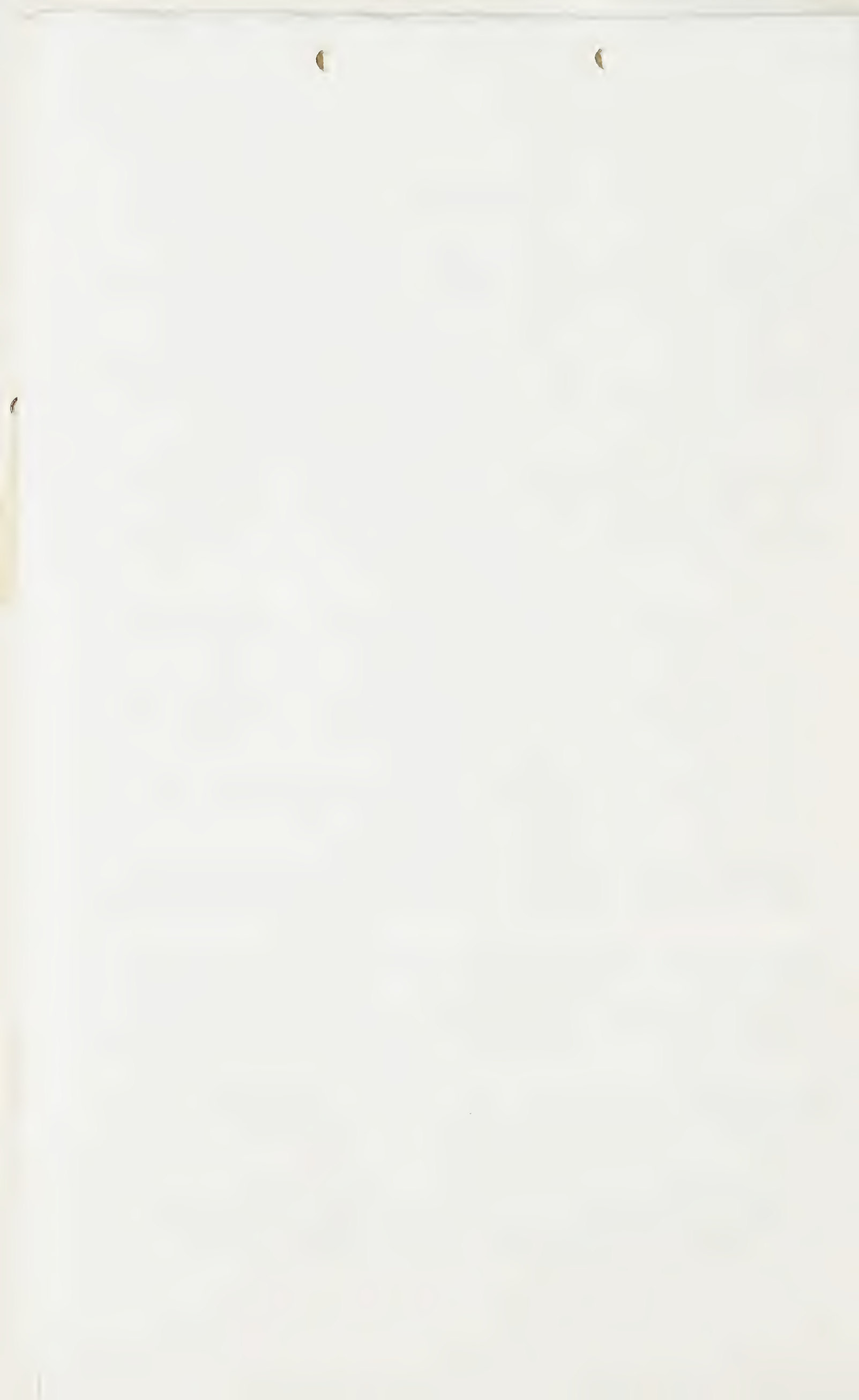
1. Unless Nova Scotia Golden Russets can be improved far beyond the quality arriving in England this year, they should not be shipped there at all.
2. Newtowns from British Columbia should be shipped to the United Kingdom in celpaks, rather than standard boxes, and consideration should be given to segregating green and yellow type fruit at least for United Kingdom export and limiting Extra Fancy to the former.
3. Shipments of British Columbia McIntosh should be timed to reach the United Kingdom not later than February 15th of each year. No lots should be shipped at any time which show 1% decay or more at shipping point.

Other ways in which arrivals might be improved are: more attention to uniform sizing, use of protective sheets to prevent staple damage, more rigid grading to eliminate sunscald in varieties where this occurs. Weights of apples in the celpak should also receive careful attention.

Price: Assuming the Canadian export standard can be kept at a level where the fruit is definitely wanted by United Kingdom importers, it is still logical to suppose that price will have to be reasonably competitive. There are instances where this does not appear to be the case now, so research into means to reduce the laid down cost would seem to be well worthwhile.

Handling: Apples reaching the United Kingdom by ocean going boats are subject to very rough handling when discharged. They are at a disadvantage in this respect with those coming from continental Europe which are ferried to England on loaded trucks.

There is a widespread feeling that nothing can be done to correct this rough handling, but this seems to me to be a rather defeatist attitude. If there is no way of training dock hands to use reasonable care it might be worth experiment to see if bulk bins or unitized pallet loads could be employed to eliminate this cause of damage.




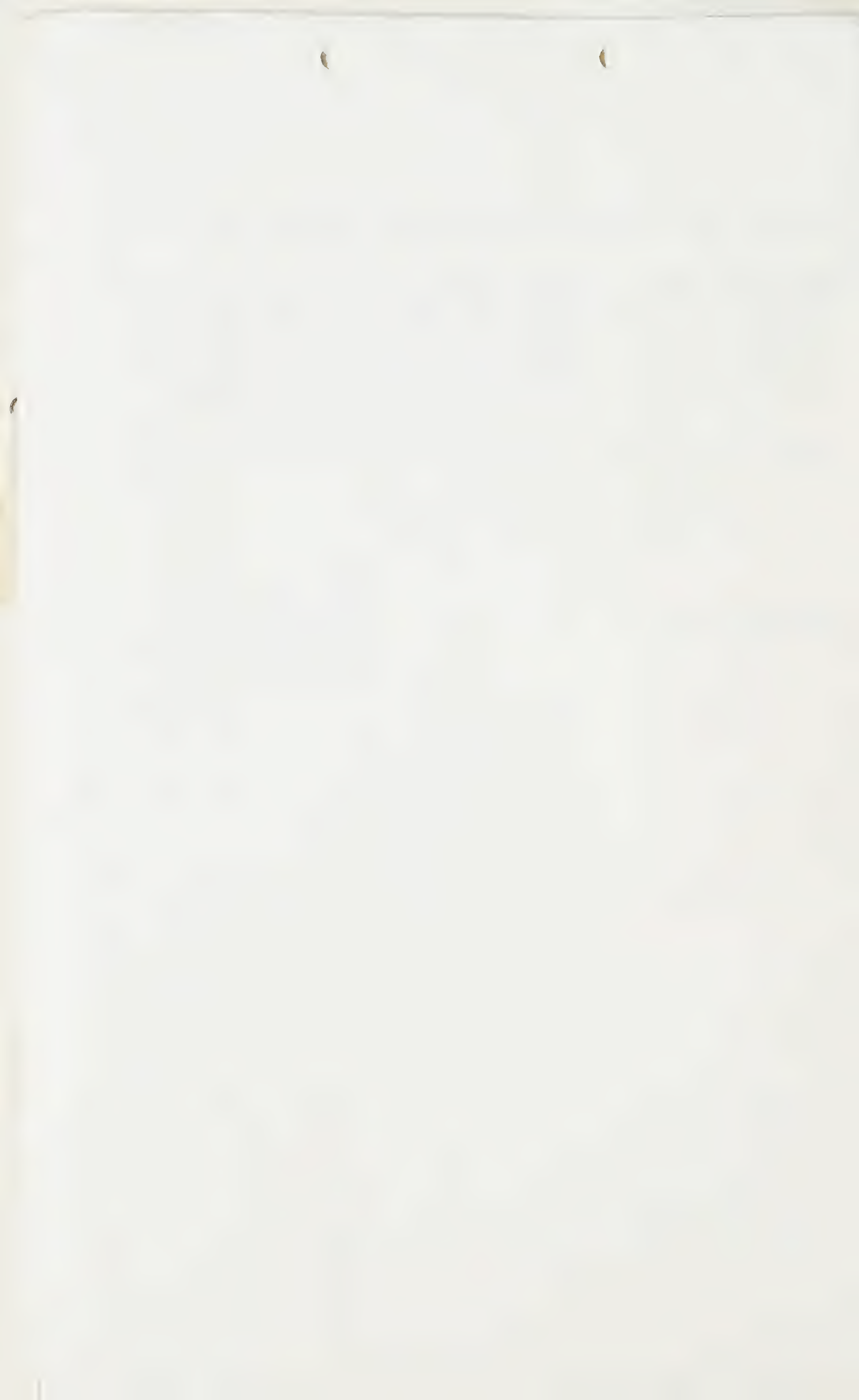
Although a great deal of damage is done in handling, this seems less than might be expected where celpaks and trays are used.

Specialized Demand: While to some extent apples are apples on the market, and heavy supply of any type affects prices adversely, there appears to be a specific or segregated demand for certain types in the United Kingdom. For example, the McIntosh which is exceedingly popular in the north of England and Scotland, meets no varietal competition from European imports. This is also true of the Newtown which is in big demand in London and the south. Study of this demand might well be used as a guide to the Canadian export program.

Finally, there is no doubt that United Kingdom importers are hoping and expecting to be buying good Canadian apples for a long time to come.

Respectfully Submitted,
March 16th, 1959

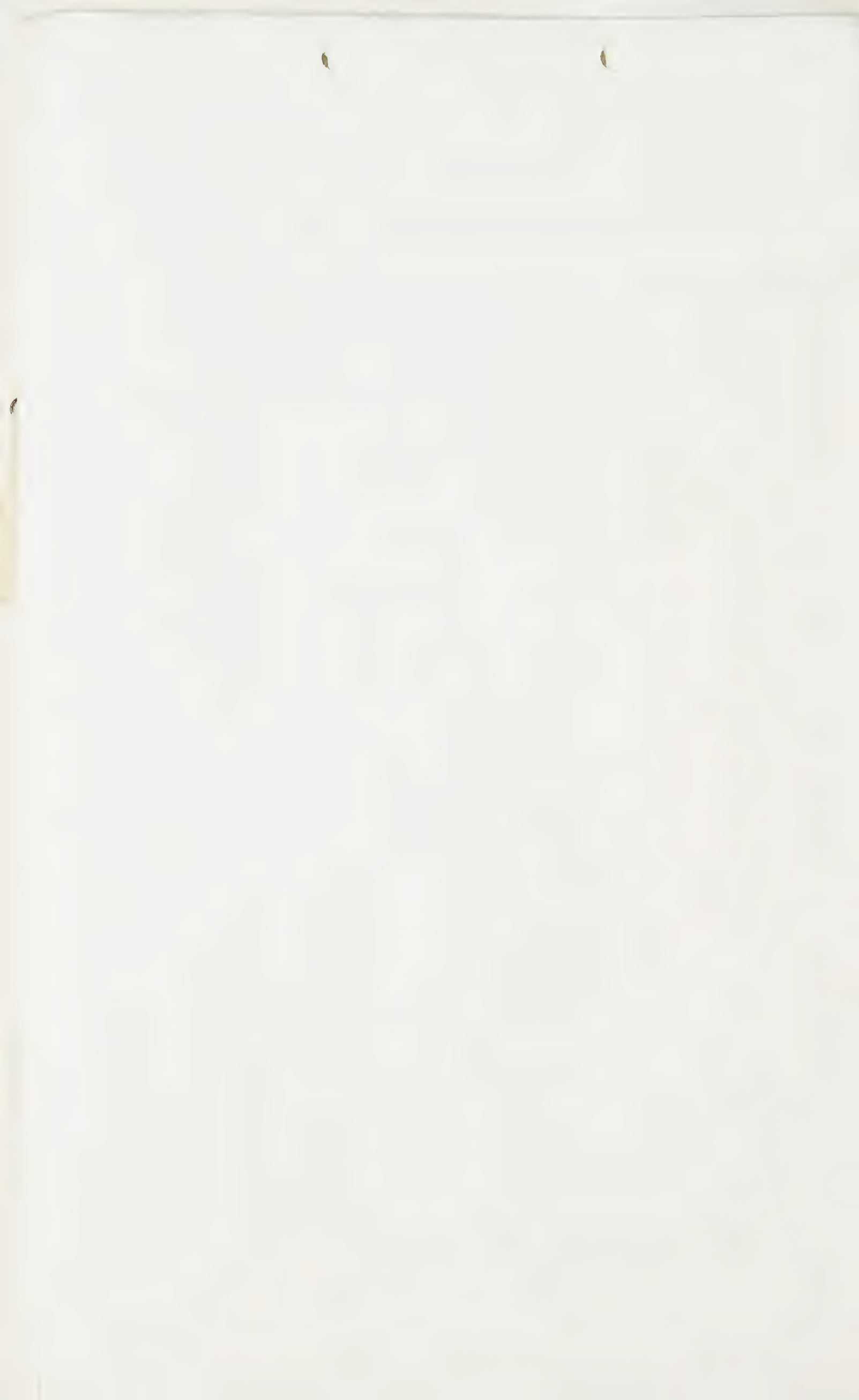

J. Wilfred Lee,
District Supervisor,
Fruit & Vegetable Division,
Kelowna, B.C.



APPENDIX I

Wholesale Trade Personnel Visited in the United Kingdom.

<u>NAME</u>	<u>FIRM</u>	<u>LOCATION</u>	<u>DATE VISITED</u>
Mr. K. Sims	J. O. Sims & Co.	Borough Market	Jan. 20, Feb. 9, 27.
Mr. W. Sims	" " "	" "	Jan. 20
Mr. Garber	Louis Reece Ltd.	Spitalfields	Jan. 21, 29, Feb. 11.
Mr. Olin	" " "	"	Jan. 21, Feb. 11
Mr. Stewart	East Kent Packing Co.	Maversham	Jan. 21
Mr. Taylor	" " " "	"	Jan. 21
Mr. Malton	Marks & Spencer	London	Jan. 21
Mr. Coward	" "	"	Jan. 21
Mr. Ridley	Ridley & Holding	Covent Garden	Jan. 23
Mr. Fowler	" "	" "	Jan. 23, Feb. 6
Mr. Holt	J. Kirkham & Co.	Liverpool	Jan. 26
Mr. Speed	Leeman & Moss	"	Jan. 26
Mr. Moss	" " "	"	Jan. 26
Mr. Smith	J. Johnson & Sons	"	Jan. 26
Mr. Briscoe	W. B. Anderson & Sons	"	Jan. 27
Mr. Peacock	J. C. Houghton & Co.	"	Jan. 27
Mr. Blundell	E. Pearson & Co.	"	Jan. 27
Mr. Pearson	"	"	Jan. 27
Mr. Thrall	Rogers White & Co.	"	Jan. 27
Mr. Brown	Refrigeration Engineer	Lock Gowan	Jan. 27
Mr. B. Springer	Barney Springer	Covent Garden	Jan. 28
Mr. C. Springer	" "	" "	Jan. 28
Mr. Reed	Barnett Emanuel Ltd.	" "	Jan. 28
Mr. Beckingham	Overseas Farmers	London	Jan. 30
Mr. Dodd	Lewis & Son	Covent Garden	Jan. 30
Mr. Beer	Simons & Co.	Spitalfields	Jan. 30
Mr. Brownbill	" "	"	Jan. 30
Mr. J. Dalton	Percy Dalton Ltd.	"	Jan. 30, Feb. 10
Mr. Brown	Donaldson Line	Glasgow	Feb. 4



NAME	FIRM	LOCATION	DATE VISITED
Mr. W. Simons	Simons & Co. Ltd.	Glasgow	Feb. 4, 19
Mr. M. Wilson	" " "	"	Feb. 4, 19
Mr. Mathew Mack	M. & W. Mack Ltd.	Covent Garden	Feb. 2
Mr. Marshall	Retailer	Glasgow	Feb. 4
Mr. Martin	Wm. Martin & Sons.	"	Feb. 4
Mr. Brooke	A. E. Brooke Co.	Covent Garden	Feb. 6
Mr. Garcia	Garcia Lucas Ltd.	" "	Feb. 6
Mr. Ward	Clarke & Joel Ltd.	" "	Feb. 10
Mr. Farmer	" " "	" "	Feb. 10
Mr. J. Lyons, Sr.	J. & J. Lyons	Spitalfields	Feb. 10
Mr. Joe Lyons	J. & J. Lyons	"	Feb. 10
Mr. Mason	Fruit Trades Journal	London	Feb. 6, 10
Mr. Sanford	Fruit Trades Journal	"	Feb. 6, 10
Mr. Matkin	Retail Fruit Trade Federation	"	Feb. 10
Mr. Harvey	Percy Dalton Co.	Spitalfields	Feb. 10
Mr. Blackburn	Marks & Spencer	London	Feb. 11
Mr. Lane	" "	"	Feb. 11
Mr. Green	Louis Reece Ltd.	Spitalfields	Feb. 13
Mr. Ferman	" " "	Horsmonden	Feb. 13
Mr. Baggett	Independent Surveyor	London	Feb. 12
Mr. Finlay	Customs Examiner	"	Feb. 12
Mr. Pickup	Frost & Pickup	Covent Garden	Feb. 16
Mr. Yeoman	A. W. Yeoman & Son	London	Feb. 16
Mr. Walker	Marks & Spencer	London	Feb. 11, 17
Mr. Matfield	F. Meyer Ltd.	"	Feb. 17
Mr. Bachus	" "	"	Feb. 17
Mr. Gibbon	" "	"	Feb. 17
Mr. Clare	" "	"	Feb. 17
Mr. McCaig	McCaig & Webb	Glasgow	Feb. 19
Mr. Michael Simons	Simons & Co.	"	Feb. 19
Mr. Anderson	J. S. Anderson	"	Feb. 19
Mr. Willie Rankin	Rankins Fruit Markets	Edinburgh	Feb. 20
Sir Frank Meddlecott, M.P.		London	Feb. 27



APPENDIX II

List of Boats from which Discharging of Apples was Observed.

<u>BOAT</u>	<u>PORT WHERE SEEN</u>	<u>DATE</u>
Eisanger	Glasgow	February 19th
Dimerdyk	London	February 12th
Calgarian	Glasgow	February 4th
Loch Gowan	Glasgow	February 4th
Empress of Britain	Liverpool	February 3rd
Pacific Reliance	Liverpool	January 26th
Newfoundland	Liverpool	January 26th
Loch Gowan	Liverpool	January 27th



APPENDIX III

Summary of Outturn of Bulk Shipments of Apples to
the United Kingdom from Australia and Canada: Buyers'
Grading.

AUSTRALIAN

<u>Variety</u>	<u>Good</u>	<u>Rejected</u>	<u>Bruised</u>	<u>Waste</u>
Cleopatra	98.3	1.3	-	.4
control	43.3	4.9	51.8	1 specimen
Jonathan	99.25	.25	-	.5
control	87.5	2.7	9.8	-
Sturmer	99.6	.15	-	.25
control	63.7	1.3	35.	-

CANADIAN

McIntosh	10.75	39.5	45.5	4.5
(no control)				
Newtowns	41.5	42.	14.	2.5
control	8.4	3.4	87.7	.5
Winesap	67.	26.	7.	-
control	59.2	5.2	35.2	.4



WEEK APPLE CARTONS (Nova Scotia)

ackages made from
relatively light
aterial often resulted
n buckling of cartons
nd damage to the fruit.



OLDEN RUSSET COLOUR

ray of Canada Fancy
rade from Nova Scotia
(at left) compared with
box of "seconds"
corresponding to Canada C
rade) from Italy. The
eceiveivers objected to lack
f colour and russeting on
he Canadian product.



FAULTY SLING LOADING

Cartons of apples being
unloaded at Liverpool on
January 26, 1959. Illus-
trates how careless load-
ing of slings can result
in damage to cartons.

